

Raleigh, NC - Today, U.S. **Rep. Brad Miller (NC-13)** released the following statement on tobacco buyout legislation introduced in the House:

"I sponsored both the Fletcher and the McIntyre bills, even though the two bills have some big differences, because I wanted to make it clear that we need to get a buyout done now and not get strangled on the details. I know that's what most farmers want.

"Tobacco has paid the bills for North Carolina farm families for generations, and the quota system has been essential. But it has gotten harder and harder to eke out a living by farming tobacco. American-grown tobacco has to compete in a world market with tobacco from Brazil, Turkey, Malawi, Bulgaria, wherever, and the additional cost of the quota system makes it hard to compete internationally.

"I've been following the progress--or lack of progress--of the buyout bills. I urge every tobacco state member of Congress to send the message to the House and Senate leadership: we need to get a buyout bill moving right away."

Rep. Fletcher's bill, H.R. 245, would continue price supports and replace marketing quotas with production licenses that would be granted only to active producers and would not be transferable. The goal of the licensing system is to eliminate quota rent that producers now pay to absentee quota owners, but preserve the constraints on how much the active producers can market. This approach could make tobacco farming more profitable, but it may not make U.S. tobacco more price competitive in global markets.

Rep. McIntyre's bill, H.R. 140, would terminate price supports and impose no limits on the amount of tobacco farmers could produce. This approach would result in lower costs of production, lower prices for leaf tobacco, and likely increased sales of U.S. tobacco in domestic and export markets.